Your Potential, Our Support.

JEREMIAH W. (JAY) NIXON, GOVERNOR • BRIAN KINKADE, INTERIM DIRECTOR

P.O. BOX (527 \* BROADWAY STATE OFFICE BUILDING \* JEFFERSON CITY, MO 65 907-4527 WWW.DSSAID.GOV \* 573-751-4815 \* 573-751-3203 FAX

November 28, 2012

The Honorable Jeremiah (Jay) Nixon Governor State Capitol Building, Room 216 Jefferson City, MO 65101

Dear Governor Nixon:

Attached you will find the Family Support Division, Child Support Enforcement's Centralized Collections Progress Report. According to RSMo 454.565, the division is required to report to the General Assembly regarding the Family Support Center by December 1<sup>st</sup> of each year.

If you have any questions, please contact Alyson Campbell at 573-751-4247.

Respectfully,

Brian Kinkade Interim Director

BK:dk

Attachment

RELAY MISSOURI

FOR HEARING AND SPEECH IMPAIRED

1-800-735-2466 VOICE • 1-800-735-2966 TEXT PHONE

JEREMIAH W. (JAY) NIXON, GOVERNOR • BRIAN KINKADE, INTERIM DIRECTOR

P.O. BOX 1527 • BROADWAY STATE OFFICE BUILDING • JEFFERSON CITY, MO 65402-1527 WWW.DSS.MO.GOV • 573-751-4815 • 573-751-3203 FAX

November 20, 2012

The Honorable Rob Mayer President Pro Tem State Capitol Building, Room 326 Jefferson City, MO 65101

Dear President Pro Tem Mayer:

Attached you will find the Family Support Division, Child Support Enforcement's Centralized Collections Progress Report. According to RSMo 454.565, the division is required to report to the General Assembly regarding the Family Support Center by December 1<sup>st</sup> of each year.

If you have any questions, please contact Alyson Campbell at 573-751-4247.

Respectfully,

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JEREMIAH W. (JAY) NIXON, GOVERNOR • BRIAN KINKADE, INTERIM DIRECTOR

P.O. BOY 1527 • BROADWAY STATE OFFICE REMEMBER • INFERENCE OF Y. MO 65102-1527 WWW.OSS.MULGIV • 573-751-4815 • 572-751-3203 (A).

November 29, 2012

The Honorable Timothy Jones Speaker of the House State Capitol Building, Room 308 Jefferson City, MO 65101

Dear Speaker Jones:

Attached you will find the Family Support Division, Child Support Enforcement's Centralized Collections Progress Report. According to RSMo 454.565, the division is required to report to the General Assembly regarding the Family Support Center by December 1<sup>st</sup> of each year.

If you have any questions, please contact Alyson Campbell at 573-751-4247.

Respectfully,

Brian Kinkade Interim Director

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## Family Support Payment Center (FSPC) Progress Report Family Support Division-Child Support Enforcement December 2012

As a result of state fiscal year (SFY) 2004 budget actions, the former Division of Child Support Enforcement (now "Family Support Division"), within the Department of Social Services, transferred Missouri's centralized support collection functions (the state disbursement unit) to the Department of Revenue in SFY 2004. Systems and Methods, Inc., through a contract with the Department of Revenue operates the state disbursement unit referred to as the Family Support Payment Center (FSPC). The Family Support Division, the IV-D agency for the State of Missouri, continues to retain statutory responsibility and accountability for the FSPC.

The FSPC operates six days per week, averaging 11 hours per day. The FSPC receipts payments in their computer system on the day received. Nightly, the FSPC system interfaces electronically with the Missouri Automated Child Support System (MACSS) to post payments. Once posted to a member, case or order number, MACSS distributes payments and produces a disbursement file. The following morning, MACSS transmits the disbursement file to the FSPC. The FSPC then disburses ninety-eight percent (98%) of payments to recipients electronically by direct deposit or on his or her SecuritE Card. The remaining two percent (2%) of disbursements

The FSPC uses electronic methods to receive and disburse support funds.

- Electronic methods available for transmitting funds to the FSPC include:
  - On-line payment transmission;
  - Electronic funds transfer (EFT)/electronic data interchange (EDI); and
  - Automatic withdrawal from a designated bank account.
- Electronic methods available for receiving support funds from the FSPC include:
  - Direct deposit to a designated bank account; and
  - Electronic transfer to the SecuritE Card. (Currently over 151,000 payees receive payments on the SecuritE

Current average production operating statistics are as follows:

- Paper receipts processed per day: 3,771 (average low) to 24,147 (average high) \*
- Dollar value of paper receipts processed per day: \$665,000 (average low) to \$2.9 million (average high). \*
- Average turnaround time (posting to disbursement): 24 hours.
- Collection exceptions, such as unidentified items and insufficient funds, are resolved within five business days of receipt 100% of the time.
- Average electronic receipts processed daily: 7,142.
- Average dollar value of electronic receipts processed per day: \$1,115,687.
- \* Does not include electronic receipts.

Systems and Methods, Inc., provides a call center for FSPC questions and customer service. Current average customer service operating statistics are as follows:

- Total average calls answered per day: 582
  - Average calls per day from employer line: 24
  - Average calls per day from state agency line: 11
  - Average calls per day from parent line: 547
- Average percentage rate of calls answered by first ring: 100%
- Average correspondence resolved per day: 599

Correspondence that requires action by state agency, circuit clerk, or prosecuting attorney is forwarded to the appropriate entity within 48 hours.

Cost Savings from processing payments electronically:

- Costs for electronic receipts are 39 cents versus \$1.39 to process a paper receipt.
- Electronic disbursements are free when transferred to the card or by paper check and 23 cents for a direct deposit.

## FSPC expenditures incurred are as follows:

	Implementation Cost	Postage	Customer Service	Transactions (Paper/EFT)
FY 00*	\$1,400,000		\$306,726	\$3,401,769
FY 01			\$669,226	\$6,503,106
FY 02	2		\$933,038	\$6,893,585
FY 03			\$722,397	\$7,150,827
FY 04		\$128,723	\$695,632	\$7,270,332
FY 05		\$442,158	\$245,326	\$6,733,088
FY 06		\$437,644	\$248,232	\$6,747,288
FY 07		\$476,741	\$237,174	\$4,577,450
FY 07		\$505,830	\$252,575	\$4,609,693
FY 09		\$536,805	\$268,255	\$4,664,311
FY 10		\$562,178	\$222,814	\$4,130,544
FY 11		\$549,528	\$189,136	\$4,121,975
FY 12		\$554,994	\$183,394	\$4,133,332
FY 13 (throu	igh October)	\$182,725	\$58,712	\$1,367,868

<sup>\*</sup>The FSPC began operating in October of 1999.

The FSPC began sending billing statements and coupons to noncustodial parents in August 2003. A new FSPC contract was effective March 29, 2006.